

November 13, 1958

MEMORANDUM

SUBJECT: Discussion at the 386th Meeting  
of the National Security Council,  
Thursday, November 13, 1958

Present at the 386th Meeting of the National Security Council were the President of the United States, presiding; the Acting Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also present and participating in the Council actions below were the Secretary of the Treasury and the Director, Bureau of the Budget. Also attending the meeting were the Chairman, Atomic Energy Commission; the Acting Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Deputy Secretary of Defense; the Director, U. S. Information Agency; the Deputy Assistant to the President; the Special Assistant to the President for National Security Affairs, for Science and Technology, and for Security Operations Coordination; Assistant Secretary of Defense John N. Irwin; Mr. Howard Furnas, Department of State; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

1. SIGNIFICANT WORLD DEVELOPMENTS AFFECTING U.S. SECURITY

The Director of Central Intelligence informed the Council that there appeared to be evidence of a hardening of Soviet policy on an overall basis. As examples of such evidence he cited current developments in Berlin, Soviet protests to Iran on alleged military agreements with the U.S., recent developments in Polish-Soviet relations, and Gomulka's bitter statement against the West, issued in all probability as a result of Soviet pressure. There was also the obvious Soviet backing of the Chinese Communists and as evidence of a hardening of the internal policies of the Khrushchev regime, there was the Pasternak episode. Khrushchev appears to be behaving in less relaxed fashion than formerly and in a manner more reminiscent of Stalin. Mr. Dulles said he cited this evidence simply to strike a note of caution.

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E.O. 12356, SEC. 3.4(b)

Agency Case NSC P 89-296

NLE Case 78-89-6

By 216

NLE Date 7/21/85

Turning to the situation in Berlin, Mr. Dulles pointed out that the Khrushchev statement on the transfer of Soviet responsibilities in Berlin to the East German Government would, if carried out, create the most complicated situation for the Western Powers in Berlin since the end of the Blockade. It would of course involve the problem of the three Western Powers dealing with the East German Government which they do not recognize. Mr. Dulles stated his belief that this transfer of power in Berlin would actually take place and that the U.S. must plan accordingly. The purpose of the Soviets may also be to continue pressure on the U.S. and its allies to recognize and deal with the East German regime.

After briefly dealing with the crisis in Argentina, Mr. Dulles pointed out that De Gaulle was now facing a most difficult situation with respect to Algeria. No very responsible Moslem candidates have presented themselves for the forthcoming election and accordingly there would be few if any representative Algerian Moslems in the newly elected French Chamber of Deputies. Those likely to be elected from the current list of candidates will be strongly to the Right politically and will probably fight to block any liberal settlement of the Algerian problem which De Gaulle might propose to the French Chamber. These developments constitute the first serious check to De Gaulle since his assumption of power.

With respect to the Middle East, Mr. Dulles thought that young King Hussein had apparently overplayed his hand with regard to the conflict with the UAR over the airplane incident. It was not certain that the Syrian planes which intercepted King Hussein's plane actually knew that the King was aboard. It was a fact that the Jordanian Government had asked for overflight privileges in Syria (through Indonesian intermediaries), but they had got no answer and accordingly there had been no formal Syrian clearance for this particular flight. Mr. Dulles said he felt it difficult to explain why the Syrians had acted as they had since one would have supposed they would be glad to see Hussein leave his country. In any event, Hammarskjold was trying to discourage the airing of this incident in the UN.

In Iraq Mr. Dulles said the situation was still very confused. There had been a round-up and arrest of pro-UAR personalities leading to tension between the UAR and Iraq. Nasser was obviously annoyed and worried by developments in Iraq. On the other hand, Prime Minister Quasim was actually showing greater strength than we had expected he had and might succeed in weathering the storm. Nearly everybody including Qasim himself was worried by the evident strength of the small but well-organized Communist Party in Iraq.

Mr. Dulles commented that while the Arab-Israel situation remained tense, the intelligence community did not expect in the near future any dramatic moves by either side.

In the Sudan the Khalil Government is still considering two alternative courses of action to bring greater stability to the political situation in that country. One was to broaden the base of the present government. The other was to secure Khalil's effective control through a military coup d'etat.

Developments in the general area of the Middle East have obviously made Nasser frustrated and uneasy. He was very worried over the show of Communist strength in Iraq, although he found it difficult to take action at this time. Ambassador Hare in Cairo thinks that a further USSR-Egypt deal is very likely in the making although he cannot yet determine what kind of deal it will be.

In Iran the chief of the Shah's intelligence service had provided the Shah with a report warning him against Soviet-inspired subversive plots. Mr. Dulles thought we needed to watch with particular care developments along the frontier areas, especially those where there were significant Kurdish elements. These latter offer the best possibility to the Soviets for stirring up trouble. In general Soviet-Iranian relations had currently reached their lowest ebb in three years. In conclusion Mr. Dulles mentioned briefly several small steps taken by the Shah to implement the internal reform program. While these were steps in the right direction, they were thus far insufficient in Mr. Dulles' view to siphon off discontent.

At the conclusion of Mr. Dulles' briefing, the President turned to Governor Herter, the Acting Secretary of State, and inquired whether the question of Khrushchev's November 10 statement on Berlin had been put before the NATO Council. Secretary Herter replied that no such formal step had been taken, but that the Four Powers most immediately concerned were concerting their views. It seemed to Secretary Herter notable that the inhabitants of West Berlin were taking the situation created by Khrushchev's statement so very calmly. Moreover, said Secretary Herter, we were not sure whether this latest Russian move forecast real trouble or would end up as merely one of the customary Soviet harassing moves against the Western Powers.

The President said that it would seem to him that we ought to consider having all the NATO countries make a statement about the Berlin situation either individually or jointly. If the statement were confined to the occupying powers, the President feared we might get into the ham that De Gaulle had started with his proposal for a concerting of policy by the U.S., the U.K., and France in NATO.

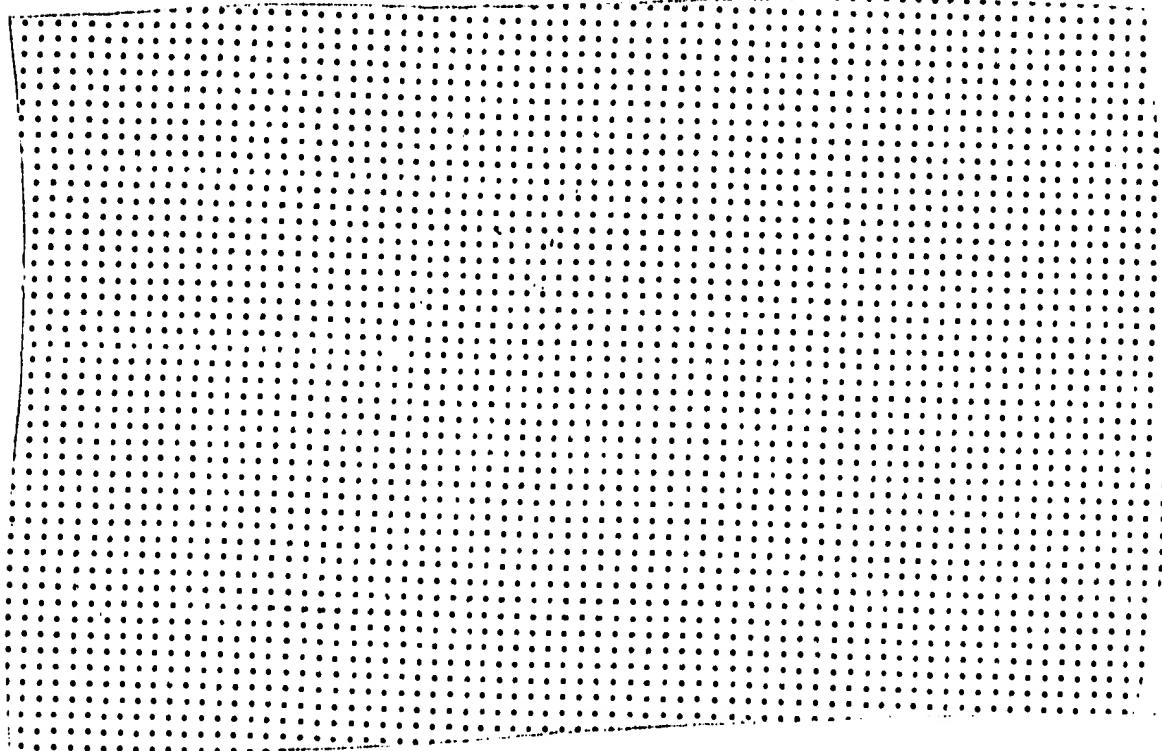
#### The National Security Council:

Noted and Discussed an oral briefing by the Director of Central Intelligence on the subject, with specific reference to evidence of a hardening of the Soviet policy line on an overall basis; developments in Berlin and in Argentina; De Gaulle's problems with Algeria; and the situations in the Near East, the Sudan, and Iran.

NOTE: The statement of policy in NSC 5821, as adopted, subsequently approved by the President; circulated as NSC 5821/1 for implementation by all appropriate Executive departments and agencies of the U. S. Government; and referred to the Operations Coordinating Board as the coordinating agency designated by the President.

3. U. S. POLICY TOWARD AUSTRIA

(NSC 5603; OCB Report on NSC 5603, dated October 22, 1958)



The National Security Council:

Noted and discussed the reference Report on the subject by the Operations Coordinating Board.

4. U.S. CIVIL AVIATION POLICY TOWARD THE SINO-SOVIET BLOC

(NSC 5726/1; OCB Report on NSC 5726/1, dated October 29, 1958)

The National Security Council:

Noted the reference Report on the subject by the Operations Coordinating Board.

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